



General Assembly

Amendment

February Session, 2002

LCO No. **5580**

HB0542805580HD0

Offered by:

REP. GIANNAROS, 21st Dist.

To: Subst. House Bill No. **5428**

File No. 347

Cal. No. 220

(As Amended)

"AN ACT CONCERNING ELECTRIC RESTRUCTURING."

1 Strike subparagraph (A) of subdivision (6) of subsection (b) of
2 section 4 and insert the following in lieu thereof:

3 "(6) (A) Notwithstanding any regulations regarding a competitive
4 bidding process the procurement of default or back-up electric
5 generation services, an electric distribution company providing
6 generation services pursuant to subdivisions (1) and (2) of this
7 subsection shall mitigate the variation of the price of the service
8 offered to its customers by procuring generation service contracts in
9 the manner prescribed in a plan approved by the Department of Public
10 Utility Control. Such plan shall require that a portfolio of service
11 contracts sufficient to meet the projected load shall be effective for the
12 period commencing on January 1, 2004. In addition, such plan or
13 bidding process shall require that the portfolio of contracts be
14 procured in an overlapping pattern of fixed periods at such times and

15 in such manner and duration as the department determines to be most
16 likely to produce just, reasonable and reasonably stable retail rates
17 while reflecting underlying wholesale market prices over time. The
18 portfolio of contracts shall be assembled in such manner as to invite
19 competition, guard against favoritism, improvidence, extravagance,
20 fraud and corruption, and secure a reliable electricity supply while
21 avoiding unusual, anomalous or excessive pricing. The portfolio of
22 contracts shall be assembled through an open, competitive bidding
23 process in which each bid with the name of the bidder is entered on
24 the record, which record shall be available for public inspection, with
25 the successful bid indicated, upon the awarding of the contract. The
26 portfolio of contracts procured under such plan shall be for terms of
27 not less than six months, provided contracts for shorter periods may be
28 procured under such conditions as the department shall prescribe to
29 ensure reliable service under extraordinary circumstances or as
30 necessary for the prudent management of the contract portfolio. An
31 electric distribution company may receive a bid for a generation
32 service contract from any of its generation entities or affiliates,
33 provided such entity or affiliate submits its bid the business day
34 preceding the day that an unaffiliated electric supplier submits its bid
35 and further provided the electric distribution company and the
36 generation entity or affiliate are in compliance with the code of
37 conduct pursuant to section 16-244h."